
SERVICE DELIVERY AGREEMENT

Position: Member of the Mayoral Committee for Technical Services

Administration: Setsoto Local Municipality

Mayoral Term: 2025/2026



June 30, 2025

SETSOTO LOCAL MUNICIPALITY
27 Voortrekker Street Ficksburg 9730

Parties:

- **The Executive Mayor:** Councillor Seipati Mbiwe
- **The Member of the Mayoral Committee for Technical:** Councillor Thabo Mthimkhulu

1. Preamble and Purpose

This Service Delivery Agreement between the Executive Mayor and the Member of the Mayoral Committee for Technical Services outlines the key performance indicators, targets, and deliverables for the portfolio for the current financial year. The purpose of this agreement is to:

1. Ensure clarity on the strategic objectives and priorities for the Technical Services portfolio.
2. Provide a framework for the Member of the Mayoral Committee to exercise their oversight role effectively over the administration.
3. Enhance accountability, transparency, and measurable service delivery to the residents of Setsoto Local Municipality.
4. Align the department's activities with the Integrated Development Plan, Budget, and the Executive Mayor's Political Mandate.

The Member of the Mayoral Committee 's role is one of strategic oversight and political leadership, holding the administration, led by the **Director: Technical Services**, accountable for the implementation of these targets

2. Legislative and Strategic Framework

The Member of the Mayoral Committee 's performance will be guided by, but not limited to, the following:

- Constitution of South Africa
- Municipal Finance Management Act, 56 of 2003
- Municipal Systems Act, 32 of 2000
- Municipal Structures Act, 117 of 1998
- Water Services Act, 108 of 1997 and Regulations
- Electricity Regulation Act, 4 of 2006
- Critical Infrastructure Protection Act, 8 of 2019
- Roads and Stormwater Bylaw

There are also other plans that are part of municipality's governance framework that have a direct or indirect bearing on the functioning and structure of the technical services currently. More importantly, these regulations, policies and plans have a bearing on how some of the proposals indicated above can be undertaken more immediately. These include, but are not limited to:

- Municipal Staff Regulations of 2021
- Human Resources Policy Manual
- Regulation of Minimum Competency Levels of 2007
- Regulations on the Appointment of Municipal Manager and Managers directly Accountable to the Municipal Manager of 2014
- Free State Growth and Development Strategies
- Local Economic Development Strategies
- Spatial Development Perspective

- Spatial Development Framework
- Local Economic Precinct Plan
- Integrated Transport Plan

3. Core Responsibilities and Oversight Focus Areas

The Member of the Mayoral Committee for Technical Services provides political oversight and leadership to the following key functional areas:

- Roads and Stormwater Infrastructure
- Water Infrastructure
- Sanitation Infrastructure
- Energy and Electricity Distribution
- Fleet Management
- Major Capital Projects within the portfolio

4. Performance Pillars and Realistic Targets

Here are realistic targets structured by key performance areas. These should be reviewed and adjusted based on the municipality's specific starting point (baseline) and the Integrated Development Plan.

KPA 1: Infrastructure Maintenance and Reliability

No	Performance Indicator	Unit	Realistic Target	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.1	Roads Maintenance: Percentage of planned pothole repairs completed within 48 hours of reporting.	Percentage	100%	New	100%	100%	100%	100%	100%
1.2	Stormwater Systems: Kilometres of stormwater drains cleared and unblocked.	Kilometres	40km	New	40km	20km	30km	35km	40km
1.3	Backlog Maintenance: Number of kilometres of road resurfaced/rehabilitated.	Kilometres	6.4km	3.3km	6.4km	N/A	N/A	N/A	6.4km
1.4	Electricity Maintenance: Percentage of electricity infrastructure maintained	Percentage	100%	New	100%	100%	100%	100%	100%

KPA 2: Service Delivery and Responsiveness

No	Performance Indicator	Unit	Realistic Target	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.1	Water and Sanitation: Reduce average response time for major pipe bursts.	Hours	72 hrs	72 hrs	72 hrs	72 hrs	72 hrs	72 hrs	72 hrs
2.2	Public Complaints: Reduce the backlog of technical service-related complaints logged through the central customer care unit.	Number of cases	1 500	800	1 500	375	750	1 125	1 500
2.3	Fleet Availability: Percentage of critical service vehicles (e.g., water tankers, repair trucks) available and operational.	Percentage	85%	70%	85%	85%	85%	85%	85%
2.4	Number of job opportunities facilitated through LED programmes (e.g., EPWP linked to LED)	Number of jobs	100	1 476	100	100	100	100	100

KPA 3: Capital Project Delivery and Management

No	Performance Indicator	Unit	Realistic Target	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
3.1	Project Delivery: Percentage of capital projects within the portfolio delivered on budget.	Percentage	100%	100%	100%	25%	40%	70%	100%
3.2	Project Timelines: Percentage of capital projects delivered within the intended financial year.	Percentage	100%	100%	100%	N/A	N/A	N/A	100%
3.3	SME Development: Percentage of project budget allocated to targeted enterprises (SMEs, Youth, Women-owned).	Percentage	20%	15%	20%	N/A	N/A	N/A	20%

KPA 4: Financial Management and Governance

No	Performance Indicator	Unit	Realistic Target	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
4.1	Budget Oversight: Ensure departmental spending is 100% of the adjusted operational budget.	Percentage	100%	100%	100%	25%	40%	70%	100%
4.2	Reduction of electricity losses form 8% to 7%	Percentage	7%	8%	7%	7%	7%	7%	7%
4.3	Reduction of water losses from 24% to 20%	Percentage	20%	24%	20%	20%	20%	20%	20%

KPA 5: Strategic Leadership and Governance Oversight

No	Performance Indicator	Unit	Realistic Target	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
5.1	Ensure 80% implementation of audit action plans (from AG, internal audit) related to the Technical Services portfolio within stipulated timeframes	Percentage	80%	80%	80%	80%	80%	80%	80%

KPA 5: Governance and Reporting Framework for Oversight The Core Member of the Mayoral Committee Role

No	Performance Indicator	Unit	Realistic Target	Baseline	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
5.1	Conduct quarterly performance review meetings with the Director Technical Services and middle management team to assess progress against this SDA and departmental targets.	Number	4 formal minuted meetings per year.	0	4	1	1	1	1
5.2	Table comprehensive quarterly technical services performance reports in Council, providing clear explanations for variances and corrective action plans.	Achievement	4 quarterly reports tabled on schedule.	4	4	1	1	1	1
5.3	Provide monthly updates to the Executive Mayor on the municipality's technical services status, including key risks and mitigation strategies.	Achievement	Monthly briefing provided.	New	6	2	1	2	1
5.4	Ensure public participation in the budget process through at 12 well-advertised ward-based budget consultation meetings.	Number	12 meetings held and feedback report compiled.	12	12	N/A	N/A	6	6

5. Reporting and Review Mechanisms

1. **Monthly performance meetings:** Formal monthly meetings with the Director Technical Services and middle management to review performance against these targets, discuss challenges, and provide strategic direction.
2. **Quarterly Portfolio Committee reports:** Presenting a formal report to the Municipal Council's Portfolio Committee on Technical Services, detailing progress, challenges, and corrective measures.
3. **Site visits:** Conducting regular, unannounced, and announced visits to project sites and service delivery points (e.g., repair teams, customer care centres) to verify reported progress.
4. **Stakeholder engagement:** Regularly meeting with Ward Councillors, community forums, and business organizations to receive direct feedback on service delivery issues.
5. **Review of audit reports:** Actively engaging with the findings and recommendations of Internal Audit and the Auditor-General related to the Technical Services portfolio.

6. Stakeholder Engagement

The Member of the Mayoral Committee for Finance is expected to maintain constructive engagement with:


- The National and Provincial Treasuries
- Relevant National and Provincial Sector Departments
- The Auditor-General of South Africa (AGSA)
- Councillors, especially the Chairperson of the Municipal Public Accounts Committee
- Organized Business and Labour
- The Public-through structured communication on financial matters

7. Review and Amendment

This agreement may be amended at any time by mutual written agreement between the Executive Mayor and the Member of the Mayoral Committee. It will be formally reviewed on an annual basis.


8. Signatures

This Agreement signifies a shared commitment to achieving these service delivery goals for the community of Setsoto Local Municipality.



CLLR SEIPATI MBIWE (MRS.)
EXECUTIVE MAYOR

Date: 26/09/2025



CLLR THABO MTHIMKHULU (MR.)
MEMBER OF THE MAYORAL COMMITTEE FOR TECHNICAL SERVICES

DATE: 26/09/2025

How this Service Delivery Agreement Assists the Member of the Mayoral Committee in their oversight role?

This document transforms the Member of the Mayoral Committee's role from a passive approver of documents to an active executive leader. It provides:

1. **Make it a living document:** Don't file it away. Refer to it weekly and use it as the agenda for all meetings with the department.
2. **Ask for the data:** Don't accept verbal assurances. Demand the reports that measure each KPI. "Show me the data" should be a mantra.
3. **Focus on trends:** Is performance improving or declining month-on-month? Ask for explanations for both successes and failures.
4. **Drill down into problems:** If a target is missed, ask the Director Technical Services for a detailed corrective action plan: What is the problem? What is the root cause? What are we doing to fix it? By when? Who is responsible?
5. **Use it publicly:** Reference this Service Delivery Agreement in community meetings and council debates. It demonstrates a clear, measurable plan and holds both the political and administrative leadership accountable to the public.

This Service Delivery Agreement provides a strong, realistic foundation for driving and monitoring performance in the critical Technical Services portfolio.

Recommendation

This framework should be adopted and then socialized with the Municipal Manager and the Director Technical Services to ensure their full buy-in and understanding, as they are responsible for the operational achievement of these targets